

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

DEC 05 2008

LEASE NO. GS-11B-02041

THIS LEASE, made and entered into this date by and between **Vanguard Building L.P. c/o Axent Realty Group**

whose address is

**7811 Montrose Road, Suite 500
Potomac, MD 20854**

and whose interest in the property hereinafter described is that of OWNER, hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:

WITNESSETH: The parties hereto for the considerations hereinafter mentioned, covenant and agree as follows:

1. The Lessor hereby leases to the Government the following described premises:
(consisting of 215 parking spaces)
The right to use the entire parking garage in the building located at 1111 20th Street, NW, Washington D.C. 20036, including the parking entrance and ramps to the underground levels, all set forth on the attached floor plans, hereinafter known as the "Premises". Stairwells leading to the garage will be accessible to or used by the Government as covered in the Prime lease GS-11B-70255. It is understood and agreed that the Premises do not include any building stairwells, elevator lobbies, landings, utility rooms, pump rooms, and electrical rooms, or storage areas. The Government shall use the Premises for motor vehicle parking, and subject to the terms and conditions of the Prime Lease, the Government shall also have the right to use the Premises for storage or other purposes. Lessor shall manage and operate the Premises in accordance with this lease.
2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on September 1, 2008 through May 31, 2018 subject to the termination as may be hereinafter set forth.
3. The Government shall pay the Lessor annual rent of \$411,000.00 at the rate of \$34,250.00 per month in arrears. Rent for a lesser period shall be prorated. The annual rent of \$411,000.00 shall be a fixed rate with no annual increase from September 1, 2008 through May 31, 2018. Rent checks shall be made payable to: **Vanguard Building Limited Partnership c/o Axent Realty Group, 7811 Montrose Road, Suite 500, Potomac, MD 20854.**
4. The Lessor shall furnish to the Government, as part of the rental consideration, the following:
 - A) All services, repairs, and utilities as defined by this lease
 - B) Operating costs, included as part of the base rental rate.
5. The following are attached and made a part hereof:
 - A. Rider #1- Garage Lease Rider
 - B. Floor Plans
 - C. GSA Form 3517, General Clauses, 33 pages
 - D. GSA Form 3518, Representations and Certifications, 7 pages
 - E. Schedule of Periodic Services and Maintenance

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

Initials: _____ & _____
Lessor Govt

LESSOR: Vanguard Buildings Limited Partnership
By: Vanguard Inc. General Partner

BY (b) (6)

(Signature) Richard S. Cohen

(Signature)

7811 Montrose Rd. Ste 500
Potomac, MD 20854

IN PRESENCE OF:

(b) (6)

(Signature)

(Address)

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION, PBS, Metropolitan Services Division

B (b) (6)

(Signature)

Stephanie J. Mayo, Contracting Officer

(Official title)

STANDARD FORM 2
FEBRUARY 1965 EDITION

Initials:

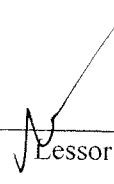
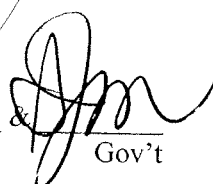
Lessor

Gov't

Rider #1 – Garage Lease Rider

1. The Lessor agrees to close the Premises to the public to maintain the Government's security requirements as defined by this lease, and the use and operation of the Premises shall be limited to federal employees as determined by the Government. Notwithstanding the foregoing or Standard Form 2, the Government agrees that the Lessor shall retain three (3) parking spaces selected by the Lessor for designees of the Lessor and one (1) additional parking space for the Property Manager of the Building.. The Government hereby agrees that the Lessor's designees shall have access and the right to use such parking spaces. These parking spaces users are subject to the security requirements of the Government and are subject to any security checks as may be required by the Government.
2. The Lessor shall manage and operate the Premises. The Lessor shall operate the Premises between the hours of 7:00 AM and 9:00 PM Monday through Friday, excluding federal holidays. The Lessor shall provide at least two (2) staff people during these hours for the purpose of parking. The garage will be accessible via a Government furnished access card after hours, on weekends, and on federal holidays. The Lessor's parking staff will have the following responsibilities.
 - a. Direct Government employees to the appropriate parking area based on priorities and assignments predetermined by the Government.
 - b. Park cars when necessary and store keys in a secure location.
 - c. Throughout the day monitor each floor of the Premises. Report any unauthorized/illegally parked vehicles to the Government contract guard. Report any safety or security situations to the Government contract guard.
 - d. Return keys and/or move vehicles to permit Government employees to exit the garage at the end of the day.
3. The Government accepts the Premises "as is" in their present condition as of the date of execution of the lease. Certain items and conditions are proposed to be accepted 'As Existing', which means that they are deemed to be minimally acceptable to the Government for its initial occupancy of the premises. The Lessor represents that such items are in good repair and tenantable condition. The Lessor shall maintain and replace, if necessary, in order to maintain such items in good repair and tenantable condition throughout the term of this Lease. The acceptance of such items 'As Existing' does not relieve the Lessor from the obligation in the Lease for future alterations, maintenance, repairs, replacements and/or other improvements, and all such future alterations, repairs, replacements and/or other improvements shall be performed in compliance with the standards set forth in the Lease (SF-2) and shall result in the quality and function of the premises no less than the quality and function indicated in the Lease (SF-2)."The Lessor shall perform or shall cause to be performed any repairs or maintenance obligations with respect to the Premises in accordance with the following:
 - a. Services, utilities, maintenance and repair shall be provided by the Lessor as part of the rental consideration. The Lessor shall have a building superintendent or a locally designated representative available to promptly correct deficiencies.

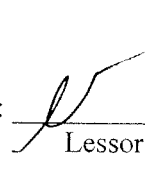

Initials: _____

 & 
Lessor Gov't

b. During the Term of this Agreement, the Lessor shall provide services, utilities, and maintenance including, without limitation to the following items:

- Floor striping and signage
- Lighting fixtures
- Fire alarm systems
- Elevators
- Pumps and drains
- Exhaust fans
- Floor striping
- Sweeping and power washing of garage floors, ~~as requested by the Government~~
- Pumps drains
- Snow removal
- Trash removal daily, Monday through Friday excluding Federal Holidays
- Inspection

Initials:

 & 
Lessor Gov't

(b) (5), (b) (7)(F)

The Vanguard Building
1111 20th Street, N.W.
Washington, D.C.

Quincy P. ...

Initials: &
Lessor Gov't

(b) (5), (b) (7)(F)

The Vanguard Building
1111 20th Street, N.W.
Washington, D.C.

OWENS PROPERTIES, INC.

Initials:

 &
Lessor Gov't